

MINUTES
INVESTMENT POOL ADVISORY COMMITTEE
January 6, 2011

The Investment Pool Advisory Committee Meeting was held January 6, 2010 at 9:00 a.m.

Members Present

Tim Aratani
Linda Glenicki – Chair
Ken Goodwin
Tim Kerr
David Lawson – Vice Chair
Scott Matheson
Duncan Mitchell
Bang Parkinson – Telephone

Others Present

Cheryl Berrey
Linda Bruce
Ken Guy
Mike Smith

Members Absent

Jake Kuper
Margaret Raihl

AGENDA ITEMS

1. Minutes

The Minutes of the October 7, 2010 meeting were approved as written.

2. Report from December EFC Meeting

There were no items on the EFC agenda that were of specific interest to the IPAC at the December meeting. At the close of the meeting the EFC Chair commended FBOD for doing an excellent job with managing the County's finances. Scott Matheson informed the IPAC that the Credit Analyst position will be posted in the following week.

3. Investment Policies Final Discussion

The Committee had no further comments on the investment policies, having provided their final feedback via email over the course of December. The Committee unanimously passed a recommendation to the EFC for adoption of this Investment Policy document. The policy, and a summary of key revisions, will be presented to the EFC at their January 26th meeting for review; and also at the Investment Pool Annual Meeting on January 25th.

4. Expiring Position Appointments

Jake Kuper, David Lawson-Vice Chair, Ken Goodwin, Linda Glenicki-Chair, and Tim Aratani will reach the end of their current terms with IPAC on April 30th. FBOD will contact the ESD to initiate appointment of a school district representative, and will also handle nominations for the expiring County and at-large positions. David Lawson will work with the Fire District group, and Ken Goodwin will work with the Water and Sewer District group to initiate the nominations for the Fire and Water/Sewer positions. These nominations should be coordinated with sufficient time to allow confirmation by the EFC at their April 23rd meeting. The IPAC will need to vote on a new Chair and new Vice-Chair in April as the Committee Charter includes term limits that preclude the current Chair and Vice-Chair from continuing in those positions if they remain on the Committee.

5. *Investment Pool Annual Meeting*

Scott Matheson presented the agenda for the upcoming Annual Investment Pool Meeting which will be held on January 25th in the DDES Hearing Room -900 Oakesdale Ave SW, Renton. The Committee provided positive feedback on the agenda topics and had no further suggestions. The agenda and invitations will be sent out to the member districts very shortly.

6. *IPAC Two-Year Effectiveness Review*

In the 2008 ordinance that created the IPAC, the King County Council included language that they would conduct a review of the Committee in the first quarter of 2011 to "determine its effectiveness or any changes that should be made to its structure or functions." In anticipation of that review, the IPAC held a discussion on this topic. It was agreed that the Committee has been effective in meeting its objective based on a review of accomplishments over the past two years. The Committee's first accomplishment was reviewing and commenting on fee structure proposals, and recommending changes. This work culminated in the implementation of new fee structures. Further accomplishments included conducting review and proposing edits for the new pool and cash management agreements, and also the investment policies.

Ken Guy indicated that the FBOD and the EFC felt the Committee added value and that they were interested in having it continue. It provides an excellent vehicle for easily obtaining feedback on Pool-related issues from a group that is knowledgeable and represents a wide variety of perspectives.

In terms of the inner workings of the Committee the group agreed that the meetings have been productive, and now that the Investment Policy review is complete it makes sense to drop back to at least a quarterly schedule, and perhaps even semi-annual. It was proposed that we schedule quarterly meetings to reserve the time on calendars, but we may choose to cancel up to 2 meetings if there is not sufficient business. We are required by the Council to meet at least semi-annually.

It was agreed that one beneficial change in our workings would be to rotate the responsibility for attending the EFC meetings, rather than making it a primary responsibility of the Vice Chair. This better balances the time commitment and provides all Committee members with an opportunity to attend on the IPAC's behalf.

Ken Guy will contact the Council in order to arrange for the Effectiveness Review to be added to a future Council Meeting agenda.

7. *April Meeting Agenda*

At the April meeting the Committee will elect the new Chair and Vice Chair, revisit the IPAC Charter to adopt the changes identified in the Effectiveness Review, introduce the new Credit Analyst if they are on board, and receive a briefing on the highlights of the new APS2 and Bond Edge systems.